

## WAUSAU DAILY HERALD

Obey: Stimulus plan falls short for poor

27 January 2008

By Daily Herald Washington Bureau

WASHINGTON - Rep. Dave Obey said an economic stimulus deal between President Bush and House leaders "is good as far as it goes," but added it would still leave many low-income people struggling with higher energy bills and unemployed workers without extra financial aid if a weak economy means a longer job search.

In a statement, Obey blamed the president for the omissions in the package announced Thursday by Speaker Nancy Pelosi, D-Calif., and Minority leader John Boehner, R-Ohio.

"I am disappointed and angered that the president has blocked extension of jobless benefits for the long term unemployed, more home-heating aid, additional money to states to avoid cuts in Medicaid health insurance for low-income people and extra money for sewer, water and transportation modernization projects to generate jobs," Obey wrote.

Obey, a Democrat from Wausau, is chairman of the House's budget appropriations committee.

The package as outlined by Pelosi and Boehner would include tax rebates ranging from \$300 for workers who earned at least \$3,000 in 2007 but paid no federal income taxes to \$600 for single taxpayers to \$1,200 for married couples. Parents would be able to receive an additional \$300 per child. Businesses would get tax breaks to encourage them to buy equipment and expand facilities.

To aid the ailing housing industry and homeowners trying to refinance mortgages they can no longer afford, limits on Federal Housing Administration loans would be raised to \$729,750 and the federally-backed Fannie Mae and Freddie Mac would be allowed for a year to buy the larger mortgages in high-cost markets.

While the White House and House leaders are in agreement on the package, Obey is not the only Democrat who thinks it falls short.

Senate Democratic leader Harry Reid said he expects the package to change after the House sends it to the Senate.

Senate committees will "improve the House package by adding funds for other initiatives that can boost the economy immediately, such as unemployment benefits, nutrition assistance, state relief and infrastructure investment," Reid said in a statement.